

SNAP and TANF – Background Information

Additional impact analysis will be shared shortly

Toplines

- The Limit, Save, and Grow Act (“Limit Save Grow”) would have put health care at risk for up to 21 million Americans, put food assistance at risk for nearly 1 million Americans, and put critical support at risk for nearly 1 million vulnerable children.
- The President fought to ensure that no one loses access to health care and Americans aren’t pushed into poverty as part of this agreement.
- The President successfully ensured that the agreement includes no changes to Medicaid
- The agreement does include the Republican proposal to extend SNAP’s restrictive work reporting requirements (referred to as “time limits”) to people up to age 54, which the President fought hard against.
- But, at his insistence, it also includes changes that will strengthen SNAP by reducing the number of vulnerable people of all ages subject to SNAP time limits, exempting people who are homeless, veterans, and former foster youth.
- Because of these new policies that strengthen SNAP, we expect the number of people subject to SNAP time limits to stay roughly the same under this agreement.
- The President also insisted SNAP changes be phased in and temporary, sunseting in 2030.
- And, the President fought to ensure that the TANF policies in the bill maintain states’ ability to support vulnerable children.

Medicaid

- The Medicaid work requirements in Limit Save Grow would have put health coverage at risk for up to 21 million Americans.
- The agreement includes no changes to Medicaid.

SNAP

- Limit Save Grow would have extended time limits to people ages 50-55. Republicans then demanded another SNAP cut, not included in their bill, that would have severely restricted state flexibility to waive time limits in areas with insufficient jobs.
- Together, these changes would likely have caused more than 1 million people to lose SNAP.
- The President directed his team to fight hard to prevent Americans who need it from losing access to food assistance and to expand the availability of food assistance for vulnerable populations that currently can’t access food assistance due to time limits.
- The final agreement makes no changes to states’ ability to waive time limits in areas with insufficient jobs.
- The agreement does include the Republican proposal to extend time limits to people up to age 54, which the President fought hard against. The policy phases in over three years (fiscal year 2023 to fiscal year 2025).
- But at the President’s insistence, the agreement also includes changes that will strengthen SNAP by reducing the number of vulnerable people of all ages subject to SNAP time limits.

Specifically, people who are homeless and veterans of all ages, as well as former foster youth, will be newly exempt from time limits because of this agreement. These new exemptions are mandatory for states.

- Because the agreement includes these new policies that strengthen SNAP, we expect the number of people subject to SNAP time limits to stay roughly the same under this agreement, even when the age change is fully phased in.
- And these changes are temporary, sunseting in 2030, which will give Congress an opportunity to re-evaluate them based on their effects.

TANF

- Limit Save Grow would have put direct assistance for nearly 1 million of the America's most vulnerable children at risk by gutting flexibilities that allow states to use their TANF resources to support vulnerable children.
- The President directed his team to fight hard to prevent vulnerable children from losing access to support, and the TANF provisions in the final agreement maintain states' abilities to support vulnerable children.
- Specifically:
 - The agreement does not include the harmful provision from Limit Save Grow that would have eliminated certain incentives for states to spend more than the required state funds on their TANF programs.
 - Limit Save Grow would have amended the base year for the TANF caseload reduction credit to 2022, making it very difficult for many states to meet work participation rate standards while maintaining assistance to vulnerable children. The agreement instead amends the base year to 2015, with much less severe consequences for states. It also shifts the effective date to fiscal year 2026, providing more time for states to adjust.
 - Some states currently provide small cash assistance payments to working households as part of calculating their work participation rate. Where Limit Save Grow would have made this unworkable, the agreement instead requires that states provide a meaningful assistance level (\$35 per month) to count TANF beneficiaries toward work participation rate calculations. This provision also takes effect in fiscal year 2026, giving states time to adjust.
- In addition, the agreement includes a new pilot program, not in Limit Save Grow, that would allow up to five states to enter into agreements with HHS under which they would be assessed on the outcomes they achieve on benchmarks for employment outcomes and family well-being. These benchmarks would be in place of the current-law work participation rate, which bipartisan state officials has criticized as a highly flawed metric.